THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Interviews were held on 12th, 13th, 16th and 17th June, 1997 by the Directorate General of Inspection to fill lip 13 vacant posts of Peons (Group-D) including 2 posts for SC, 1 post for ST, 4 posts for OBC and 6 posts for others in the Directorate General for which candidates were sponsored by the Central Employment Exchange and Directorate of Re-settlement etc., together with 24 candidates having temporary status from NACEN and one each from Directorate of O. &M.S. and office of CDR.

(b) Tlie Central Administrative Tribunal has however directed the Directorate General of Inspection not to declare the results of the in terviews and not to make any ap pointments on the basis of the in terviews on a petition filed by one Sh. Vasudev and Others (Temporary GrouP-D employee of NACEN). In view of the directions given by the CAT, the selection formalities can not be comr)Ietcd till the vacation of the orders of the CAT.

(c) The Directorate General is taking all steps to get the orders vacated from the CAT.

Banks/NBFCS involved in frauds

2278. PROF. RAM KAPSE: Will the Minister of FINANCE be pleased to "State:

(a) the details of banks in Govern ment Sector, Co-operative Sector, other scheduled banks and non-banking Financial Institutins in volved in frauds during the last three years ending with 31st May, 1997;

(b) amounts involved in each Bank/NBFCs;

(c) steps taken by Government in respect of each Bank and non-banking financial inseitution for recovery Of money involved and for makiji? payment of deposits to the depositors;

(d) action taken against the Per sons responsible for the frauds; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl SATPAL MAHARAJ): (a) to fe) Information readily available rela'in? to bank-wise position of num'er *of* frauds edteced in public sector banks and amount involved during the years 1994, 1995 and 1996 is gi en at Annexure. *[See* Arpsndix 681 Annexure No. 59] Information readily available relating to number *of* frauds detected in private *stctor* banks and amount involved therein during the years 1994, 1995 and 1995 (upto March) is given below:

(Amount in Rs. kahs

Year	Numbei ol Frauds	ATrrunt involved
1994	215.	454
1995	182	1451
1996 (upto March	. 64 .	241

Action taken by public sector banks against delinquent employees for their involvement in frauds during 1994, 1995 and 1996 is as under:

	1	1994	1995	1996
1.	Na. ol employees convicted	50	33	46
2.	No. oi employees a/Aarded major/minor penalty .	1248	116G	120?
3.	NO. of empayess dismissed /diKha,rg&d/rem3Vid .	360	301	331

The amounts involved in the cases of frauds do not necessarily represent the actual losses which the banks may have to ultimately suffer. Tne banks generally have some se-urities to cover advances made by them. Banifs also file civil and criminal Si'its and seek appropriate reliefs. Fiauds in public sector banks do not adversely affect the interest of the depositors.

As regards Non-Banking Finance Companies (NBFCs), these are normally private companies and data relating to fraud perpetrated against them by employees/outsiders is not maintained. However, there have oeen some instances where such com-panls have failed to repay deposits resulting in allegations of fraud against the management of such companies. In such cases, on receipt of appropriate complaint, investigations are taken up by the concerned agencies.

Keeping in view the twin needs of providing adequate pi-otecf'on to the depositors and maintaining the stability of the financial system, the Parliament has recently enacted amendments to the Reserve Bank of India ct, for regulating NBFCs which inter-alia, include mandatory requirements for registration, minimum net owned funds, maintenance of liquid assets, compulsory transfer of certain proportion of profits to reserves and empowering tTie Company Law Board to loo'ic into the cases of, non repayment of deposits. These measures would facilitate continued liquidity and solvency of NBFCs and are expected to go a long way in enabling the NBFCs to meet the liabilities of depositors as and when they accrue. Operationally, RBI has initiated steps to strengthen the supervisory apparatus involving both off site and on site surveillance of NBFCs and a greater emphasis on ascertaining asset quality.

Central Board for Bank frauds

2279. PROF. RAM KAPSE: Will the Minister of FINANCE be pleased to state:

(a) whether Government have set up a Central Board for Bank Frauds to deal with requests from Central Bureau of Investigations and other agencies in regard to complaints against bank officials;

(b) if so, the composition of the Board;

(c) whether the Board is conferred with mandatory powers; and

(d) if not, what is the role ol the Board?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAT-PAL MAHARAJ): (a) to (d) Reserve Bank of India (RBI) has set up in